United Nations S/AC.49/2006/1

Security Council

Distr.: General
30 November 2006

Original: English

Security Council Committee established pursuant to resolution 1718 (2006) concerning the Democratic People's Republic of Korea

Note verbale dated 10 November 2006 from the Permanent Mission of Australia to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of Australia to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1718 (2006), and has the honour to submit to the Council a report pursuant to paragraph 11 of resolution 1718 (2006) on the steps taken by the Government of Australia to implement paragraph 8 of the above-mentioned resolution (see annex).

06-63669 (E) 041206

Annex to the note verbale dated 10 November 2006 from the Permanent Mission of Australia to the United Nations addressed to the Chairman of the Committee

At 10 November 2006, the Government of Australia (hereafter "Australia") has taken the following steps to implement operative paragraph 8 of Security Council resolution 1718 (2006) (hereafter "the Resolution"):

I. General – Legislative Change

Australia has promulgated the *Charter of the United Nations (Sanctions – Democratic People's Republic of Korea) Regulations 2006* ('the DPRK Regulations'), which took effect on 10 November 2006. The purpose of these regulations is to give effect to the Resolution. The DPRK Regulations have extraterritorial operation and apply to a person in Australia or a citizen of Australia who is outside Australia.

2. Australia has promulgated new, amending regulations under the *Customs (Prohibited Imports) Regulations 1959* and *Customs (Prohibited Exports) Regulations 1958* to give full effect to territorial aspects of trade restrictions (imports and exports to/from Australian territory). These amended regulations took effect on 3 November 2006. General controls on military and dual use items are contained in existing regulation 13 E of the *Customs (Prohibited Exports) Regulations* and, in respect of WMD-related goods, in the *Weapons of Mass Destruction (Prevention of Proliferation) Act 1995*

II. Prohibition on Transfer to and Procurement from the DPRK of certain conventional military goods, nuclear-related, WMD-related and missile-related items and prohibition on export of luxury goods to the DPRK, and prohibition on transfers to or from the DPRK of technical training, advice, services or assistance relating to such items

3. OP 8 (a) and (b) of the Resolution require Australia to prevent the supply, sale or transfer to the DPRK or the procurement from the DPRK of certain conventional military goods, nuclear-related, WMD-related and missile-related items. The Security Council has subsequently adopted the following lists:

(i) S-2006-814: Nuclear-related items
(ii) S-2006-815: Missile-related items; and
(iii) S-2006-853: Chemical and Biological items

Further, OP 8 (a) (iii) of the Resolution requires Australia to prevent the supply of luxury items to the DPRK.

4. Further, OP 8 (c) of the Resolution requires Australia to prevent transfers to or from the DPRK of technical training, advice, services or assistance related to the provision, manufacture, maintenance or use of such conventional military goods and nuclear-related, WMD-related and missile-related items.

A. Exports/Imports from Australian Territory

Exports

5. Australia controls the export of military and specified dual-use technologies listed in the 'Defence and Strategic Goods List' (DSGL). Australia's export controls are enabled under the *Customs Act 1901* and executed through Regulation 13E of the *Customs (Prohibited Exports) Regulations 1958*. Export controls under the *Customs (Prohibited Exports) Regulations 1958* cover a wide range of defence and related goods and technologies, nuclear related goods and goods and technologies with both civil and military applications. The controls also cover goods being exported after or for repair, and the temporary export of items for demonstration or loan purposes. The list of goods controlled forms the DSGL and includes equipment, assemblies and components, associated test, inspection and production equipment, materials, software and technology.

6. Australia also applies catch-all controls contained in the *Weapons of Mass Destruction (Prevention of Proliferation) Act 1995*. This Act and its derived Regulations provide controls for goods, technologies and services not regulated by the Customs Act (ie. not listed in the DSGL). The WMD-related controls regulate the export and transfer, both within and outside Australian territory, of otherwise uncontrolled technologies but only if there is reasonable suspicion or belief that the export or transfer of these technologies may assist a WMD-related activity. The WMD Act's jurisdiction extends to the transfer of intangibles and transfers via intangible means (for example, electronic, photonic).

7. All relevant military and dual use items listed by the UN Security Council in its documents S-2006-814, S-2006-815, and S-2006-853 are included in the DSGL. The export of such items will be controlled under the *Customs (Prohibited Exports) Regulations 1958*.

8. Customs Regulation 13E prohibits the export of goods listed in the DSGL without the permission of the Minister for Defence or his delegate, while Regulation 13CO prohibits the export to the DPRK of embargoed items not listed in the DSGL without the permission of the Minister for Foreign Affairs. The Minister for Foreign Affairs has written to the Minister for Defence advising him of Australia's obligations under the Resolution and requesting that he exercise his powers under the *Customs (Prohibited Exports) Regulations 1958* accordingly.

9. Each export application is considered by relevant agencies on a case-by-case basis, taking into account the stated end-use and end-user. The processing of export applications, which are considered to be sensitive because of the stated end-use or end-user, includes a diversion risk assessment.

10. Items not controlled by Customs Regulation 13E will be included under the new Regulation 13CO of the *Customs (Prohibited Exports) Regulations 1958*. New Regulation 13CO prohibits the export from Australia to the DPRK of arms and related material, goods capable of being used in the development, production or stockpiling of nuclear, biological or chemical weapons, goods capable of being used in the development or production of missiles and goods included on the luxury goods list

determined by the Minister for Foreign Affairs of Australia. Such goods may only be exported with the permission of the Minister for Foreign Affairs of Australia.

11. More detailed information on Australia's export control regime, and a copy of the DSGL, is available on the Defence website: http://www.defence.gov.au/strategy/dtcc

Imports

12. The import of all embargoed items listed by the UN Security Council under the Resolution will be controlled under new regulation 4 Y of the *Customs (Prohibited Imports) Regulations 1956*. Regulation 4Y prohibits the import to Australia from the DPRK of arms and related material, goods capable of being used in the development, production and stockpiling of nuclear, biological or chemical weapons, and goods that are capable of being used in the development or production of missiles. Such goods may only be imported with the permission of the Minister for Foreign Affairs of Australia.

13. Regulations 8 and 11 of the DPRK Regulations (described in more detail in Part B below) also apply within Australian territory to give effect to the obligation in OP 8 (c) to prevent transfers to or from the DPRK of technical training, advice, services or assistance related to the provision, manufacture, maintenance or use of such conventional military goods and nuclear-related, WMD-related and missile-related items.

Customs Inspections

14. The *Customs Act 1901* gives the Australian Customs Service authority over all goods imported into and intended to be exported from Australia. The Act provides Customs with the power to inspect goods awaiting import or export which are held in the premises of freight forwarding companies but not yet subject to Customs' control. Goods on vessels and aircraft fall within Customs control and are subject to inspection at any time. The Act provides Customs with the power to board vessels within Australian waters and aircraft at Australian airports, and to search for and seize goods intended for importation or exportation. The Act also provides Customs with the authority to seize goods in transit through Australian waters, where a suspicion exists that the goods are connected, directly or indirectly, with the carrying out of a terrorist act, or the shipment is likely to prejudice Australia's defence or security or international peace and security.

15. Customs uses a range of technologies in the inspection processes which include x-ray container examination facilities, radiation detection devices, and chemical and explosives trained detector dogs.

Customs Outreach

16. The Australian Customs Service works in cooperation with other Australian government departments and agencies delivering outreach activities domestically and within our region. This includes engaging with local industries, and with international Customs administrations and regulatory authorities. Customs also offers a range of

Australian-based operational and intelligence-based training courses for international Customs officers.

B. Implementation of Prohibitions Through DPRK Regulations, Including Extraterritorial Operation of Prohibitions (Australian Nationals), and Use of Australian Aircraft and Vessels

17. The DPRK Regulations give extraterritorial effect to the embargo on conventional, nuclear-related, missile-related and WMD-related goods and luxury goods in respect of Australian nationals and supplement the Customs Act regime in relation to supplies, sales or transfer to the DPRK through Australian territory. The regulations also provide for the ban on military advice, assistance and training, and the use of Australian vessels and aircraft, as required by the Resolution.

18. The DPRK Regulations prohibit the supply or procurement of all items designated by the UN Security Council, including those contained in current control lists (S-2006-814, S-2006-815, and S-2006-853). Additional items determined by the Security Council as covered by OP 8 (a) (i) or (ii) of the resolution will automatically be incorporated into domestic legislation through the DPRK Regulations. The DPRK regulations use the term 'military goods' to refer to specified conventional weapons under OP 8 (a) (i) of the Resolution, and 'WMD-related goods' to refer to other items including nuclear-related, missile-related or WMD-related items specified by the Security Council under OP 8 (a) (ii) of the Resolution.

19. Regulation 19 of the DPRK Regulations allows the Minister for Foreign Affairs of Australia to determine by legislative instrument a list of goods that are to be treated as luxury goods for the purpose of these Regulations. The Australian Government is taking steps to develop a list of luxury goods for the purposes of the Resolution.

20. Regulation 7 of the DPRK Regulations prohibits conduct which results in the sale, supply or transfer of military goods, WMD-related goods or luxury goods to the Democratic People's Republic of Korea (DPRK). The prohibition extends to sale, supply or transfer to any recipient in the DPRK, any entity owned or controlled by the DPRK or any person or entity acting on behalf of or at the direction of the DPRK regime. Subregulations 7(2) and 7(3) provide a power for the Minister for Foreign Affairs to authorise the sale, supply or transfer of goods, having regard to Australia's international obligations, including to comply with the obligations of the Resolution. Regulation 7 (in conjunction with Regulation 12) implements OP 8 (a) of the Resolution.

21. Regulation 10 of the DPRK Regulations prohibits conduct that assists, or results in, the procurement of military goods or WMD-related goods from the DPRK, regardless of whether the goods originated in the DPRK. The prohibition extends to procurement from any person in the DPRK, any entity owned or controlled by the DPRK or any person or entity acting on behalf of or at the direction of the DPRK regime. Subregulations 10(3) and 10(4) provide a power for the Minister for Foreign Affairs to authorise the procurement of goods, having regard to Australia's international obligations, including to comply with the obligations of the Resolution. Regulation 10 (in conjunction with Regulation 13) implements OP 8 (b) of the Resolution.

22. Regulation 8 of the DPRK Regulations prohibits conduct that assists, or results in, the provision or transfer of technical training, advice, services or assistance relating to the provision, manufacture, maintenance or use of military goods or WMD-related goods to the DPRK. The prohibition extends to provision or transfer to any recipient in the DPRK, any entity owned or controlled by the DPRK or any person or entity acting on behalf of or at the direction of the DPRK regime. Subregulations 8(2) and 8(3) provide a power for the Minister for Foreign Affairs of Australia to authorise the provision of assistance, having regard to Australia's international obligations, including to comply with obligations of Resolution.

23. Regulation 11 of the DPRK Regulations prohibits conduct that assists, or results in, the procurement or transfer of technical training, advice, services or assistance relating to the provision, manufacture, maintenance or use of military goods or WMD-related goods from the DPRK. The prohibition extends to procurement from any recipient or citizen of the DPRK, any entity owned or controlled by the DPRK or any person or entity acting on behalf of or at the direction of the DPRK regime. Subregulations 11(2) and 11(3) provide a power for the Minister for Foreign Affairs of Australia to authorise the procurement of technical training or assistance, having regard to Australia's international obligations, including to comply with the obligations of the Resolution.

24. Regulations 8 and 11 implement OP 8 (c) of the Resolution.

Australian Aircraft and Vessels

25. Regulation 12 of the DPRK Regulations provides that the owner, pilot in command or operator of an Australian aircraft or the owner, master or operator of an Australian ship must not allow the aircraft or ship to be used in a way that assists, or results in, the sale, supply or transfer of military goods, WMD-related goods or luxury goods to the DPRK. The prohibition extends to sale, supply or transfer to any recipient in the DPRK, any entity owned or controlled by the DPRK or any person or entity acting on behalf of or at the direction of the DPRK regime. Subregulations 12(3) and 12(4) provide a power for the Minister for Foreign Affairs of Australia to authorise the use of an aircraft or ship to supply such goods, having regard to Australia's international obligations, including to comply with the obligations of the Resolution. Regulation 12 (in conjunction with Regulation 7) implements OP 8 (a) of the Resolution.

26. Regulation 13 of the DPRK Regulations provides that the owner, pilot in command or operator of an Australian aircraft or the owner, master or operator of an Australian ship must not allow the aircraft or ship to be used in a way that assists, or results in, the procurement of military goods or WMD-related goods from the DPRK, regardless of whether the goods originated in the DPRK. The prohibition extends to procurement from any person in the DPRK, any entity owned or controlled by the DPRK or any person or entity acting on behalf of or at the direction of the DPRK regime. Subregulations 13(4) and (5) provide a power for the Minister for Foreign Affairs to authorise the use of aircraft and ships to procure embargoed goods having regard to Australia's international obligations, including to comply with the

obligations of the Resolution. Regulation 13 (in conjunction with Regulation 10) implements OP 8 (b) of the Resolution.

27. The Australian Department of Transport and Regional Services will publish a Marine Notice and a Notice to Airmen to advise operators of the requirements of the regulations. These measures will clearly inform Australian-flagged vessels and aircraft of their obligations under the Resolution and help ensure that the sanctions contained within the Resolution are fully observed.

III. Financial Sanctions: Measures taken in accordance with operative paragraph 8(d) of the Resolution

28. Australia has implemented the obligation in OP 8 (d) of the Resolution to freeze the assets of listed individuals and/or entities (referred to collectively as 'persons'), and to prohibit the making of financial assets available to such persons, through the DPRK Regulations. From the moment a person is listed by the committee established by OP 12 of the Resolution ('Sanctions Committee'), an obligation to freeze the assets of that individual or entity, and to avoid making assets available to that individual or entity, is automatically activated under Australian law.

29. Regulation 14 of the DPRK Regulations provides that a person commits an offence if the person holds a freezable asset or uses or deals in freezable assets (including allowing or facilitating such use or dealing). Freezable assets are those assets owned or controlled, directly or indirectly, in Australia by persons designated by the Security Council or the Sanctions Committee.

30. Regulation 15 of the DPRK Regulations provides that a person commits an offence if the person, directly or indirectly, makes an asset available to a person designated by the Security Council or the Sanctions Committee.

31. Regulation 16 of the DPRK Regulations provides that the Minister for Foreign Affairs can authorise prohibited dealings under regulation 14 or 15. The Minister can exercise this power to allow for dealings which have been approved by the Sanctions Committee as humanitarian exemptions under OP 9 of the Resolution.

32. While it is the responsibility of banks and other financial institutions to ensure they comply with any requirements to freeze the assets of their clients, the Australian Government will facilitate compliance with the legislation and assist the financial sector in a number of ways. The Department of Foreign Affairs and Trade (DFAT) will publish a list of persons that have been designated by the Security Council under the Resolution, including in electronic form available to the public on the internet. DFAT will incorporate designated persons on a centralised 'UN Security Council Sanctions' email service through which DFAT will alert financial institutions and other asset holders of any updates to the list. Asset holders will be able to subscribe to this service. DFAT will also provide asset holders with list matching software ("LinkMatchLite") that financial institutions can use to cross-check their databases with the Security Council sanctions list.

33. In addition, the Australian Transaction Reports and Analysis Centre (AUSTRAC) will consider issuing an information circular to its reporting entities (e.g. financial

institutions) with reference to DFAT's notification on SCR 1718. The circular would also remind reporting entities of their obligations under section 16 of the Financial Transaction Reports Act 1988 concerning the reporting of suspect transactions.

IV. Travel Sanctions: Measures taken in accordance with operative paragraph 8(e) of the Resolution

34. Australia has a universal visa system requiring all visitors to Australia to obtain a visa before travel. These visas are processed offshore before the commencement of travel.

35. All individuals designated by the Security Council or the Sanctions Committee under OP 8 (e) of the Resolution will be placed on the Department of Immigration and Multicultural Affairs' (DIMA) Movement Alert List (MAL). The MAL is electronically accessible by DIMA officers posted to Australia's diplomatic and consular missions worldwide. A complete MAL update is sent electronically at least daily to Australia's overseas missions. A check is conducted against MAL prior to any decision to grant a visa at Australia, and again prior to a traveller's arrival in Australia. Additional checks are also undertaken at Australian entry points to ensure that any person listed on MAL subsequent to a visa grant is identified. Note that in order to list names on MAL, they must meet minimum data requirements (that is, full name and at least year of birth).

36. Where an individual is listed on MAL further enquiries must be made before a visa can be issued. In the event that an individual has been listed by the Security Council as subject to a travel ban under OP 8 (e) of the Resolution, then a visa for travel will be refused under relevant migration legislation.

37. Under existing Australian legislation (Regulation 2.43(1)(a)(i)(A) and Public Interest Criterion 4003(a) of the Migration Regulations 1994, the Minister for Foreign Affairs of Australia may determine that a visa should be refused or an existing visa cancelled, if the applicant or visa-holder's presence in Australia would be contrary to Australia's foreign policy interests (this power does not apply to protection (refugee) or humanitarian visas). The Minister for Foreign Affairs will make such a determination in respect of persons designated by the Security Council or the Sanctions Committee. Such persons shall not be permitted to enter into, or transit through, Australian territory, unless their travel has been approved by the Security Council as provided for under OP 10 of the Resolution. In the event that a non-citizen who is designated by the Security Council or the Committee is found to hold a temporary visa, the Minister for Foreign Affairs will make a determination in respect of that person and their visa will be cancelled.

V. Measures taken in accordance with operative paragraph 8(f) of the Resolution

38. Paragraphs 14 to 16 describe Australian action on cargo inspections within its territorial jurisdiction.

39. Australia is seeking ways to work collaboratively with other states to ensure that the Resolution's obligations are implemented comprehensively and effectively.

United Nations S/AC.49/2006/2

Security Council

Distr.: General
30 November 2006

Original: English

Security Council Committee established pursuant to resolution 1718 (2006) concerning the Democratic People's Republic of Korea

Letter dated 13 November 2006 from the Permanent Representative of Canada to the United Nations addressed to the Chairman of the Committee

With reference to your letter dated 1 November 2006, I am pleased to submit Canada's report on the implementation of Security Council resolution 1718 (2006), pertaining to the Democratic People's Republic of Korea (see annex).

(*Signed*) John **McNee**
Ambassador
Permanent Representative

06-63675 (E) 041206

Annex to the letter dated 13 November 2006 from the Permanent Representative of Canada to the United Nations addressed to the Chairman of the Committee

[Original: English/French]

Report of Canada on the implementation of measures decided by Security Council resolution 1718 (2006)

Paragraph 11 of Security Council Resolution 1718 (2006) of 14 October 2006 (the Resolution) requests all Member States to report to the Security Council, within thirty days from the date of adoption of the Resolution, on the steps taken to implement effectively the provisions of paragraph 8 of the Resolution.

Canada wishes to inform the Committee that it is effectively implementing all measures mandated by paragraph 8 through the application of the *Regulations Implementing the United Nations Resolution on the Democratic People's Republic of Korea* (the *DPRK Regulations*) (SOR/2006/287) made under the *United Nations Act*, the *Export and Import Permits Act* and the *Immigration and Refugee Protection Act* as follows :

Paragraph 8(a):

All Member States shall prevent the direct or indirect supply, sale or transfer to the DPRK, through their territories or by their nationals, or using their flag vessels or aircraft, and whether or not originating in their territories, of:

(i) Any battle tanks, armoured combat vehicles, large calibre artillery systems, combat aircraft, attack helicopters, warships, missiles or missile systems as defined for the purpose of the United Nations Register on Conventional Arms, or related materiel including spare parts, or items as determined by the Security Council or the Committee established by paragraph 12 below (the Committee);

(ii) All items, materials, equipment, goods and technology as set out in the lists in documents S/2006/814 and S/2006/815, unless within 14 days of adoption of this resolution the Committee has amended or completed their provisions also taking into account the list in document S/2006/816, as well as other items, materials, equipment, goods and technology, determined by the Security Council or the Committee, which could contribute to DPRK's nuclear-related, ballistic missile-related or other weapons of mass destruction related programmes;

(iii) Luxury goods.

Pursuant to section 3 of the DPRK Regulations, all Canadians and all persons and entities in Canada are prohibited from exporting, selling, supplying, transferring or shipping, directly or indirectly, any of the items covered in subparagraphs 8(a)(i) to (iii) of the Resolution to the DPRK or any person in the DPRK. Also, pursuant to section 4 of the DPRK Regulations, owners or masters of Canadian ships and operators of aircraft registered in Canada may not carry, cause to be carried or permit to be carried any of the items covered in subparagraphs 8(a)(i) to (iii) of the Resolution to the DPRK.

In addition, pursuant to section 10 of the DPRK Regulations, all persons in Canada and all Canadians abroad are prohibited from doing anything that causes, assists or promotes, or is intended to cause, assist or promote, any act or thing prohibited by sections 3 and 4.

Moreover, the *Export and Import Permits Act* requires a permit for the export from Canada of all goods listed on the *Export Control List*. All military and strategic dual-use goods, as defined by the appropriate international export control regimes, are listed on the *Export Control List*, and therefore require a permit. Since the Resolution was passed, no permit has been issued for the export of military or strategic dual-use goods from Canada to the DPRK, nor will permits be issued while the sanctions mandated by 8(a)(i) and 8(a)(ii) of the Resolution remain in effect.

Paragraph 8(b):

The DPRK shall cease the export of all items covered in subparagraphs (a) (i) and (a) (ii) above and that all Member States shall prohibit the procurement of such items from the DPRK by their nationals, or using their flagged vessels or aircraft, and whether or not originating in the territory of the DPRK.

Pursuant to section 5 of the DPRK Regulations, all Canadians and all persons and entities in Canada are prohibited from importing, buying or procuring from the DPRK any of the items covered in subparagraphs 8(a)(i) and 8(a)(ii) of the Resolution. Also, pursuant to section 6 of the DPRK Regulations, owners or masters of Canadian ships and operators of aircrafts registered in Canada may not carry, cause to be carried or permit to be carried any of those items.

In addition, pursuant to section 10 of the DPRK Regulations, all persons in Canada and all Canadians abroad are prohibited from doing anything that causes, assists or promotes, or is intended to cause, assist or promote, any act or thing prohibited by sections 5 and 6.

Moreover, many of the goods set out in para 8(a)(i) and 8(a)(ii) are subject to import controls under the Import Control List under the *Export and Imports Permits Act*.

Paragraph 8(c):

All Member States shall prevent any transfers to the DPRK by their nationals or from their territories, or from the DPRK by its nationals or from its territory, of technical training, advice, services or assistance related to the provision, manufacture, maintenance or use of the items in subparagraphs (a) (i) and (a) (ii)above.

Pursuant to section 7 of the DPRK Regulations, all Canadians and all persons and entities in Canada are prohibited from providing or transferring technical assistance related to the provision, manufacture, maintenance or use of any of the items covered in subparagraphs 8(a)(i) and 8(a)(ii) of the Resolution. In addition, pursuant to section 8 of the DPRK Regulations, all Canadians and all persons and entities in Canada are prohibited from accepting the provision or transfer, from any person in the DPRK or from any citizen of the DPRK, of technical assistance

related to the provision, manufacture, maintenance or use of the items covered in subparagraphs 8(a)(i) and 8(a)(ii) of the Resolution.

In addition, pursuant to section 10 of the DPRK Regulations, all persons in Canada and all Canadians abroad are prohibited from doing anything that causes, assists or promotes, or is intended to cause, assist or promote, any act or thing prohibited by sections 7 and 8.

Moreover, the *Export and Import Permits Act* requires a permit for the export from Canada of technology listed on the *Export Control List*. Technology (including technical training, advice, services or assistance) as defined by the appropriate international export control regimes, is listed on the *Export Control List*, and therefore requires a permit when transferred from Canada. Since the Resolution was passed, no permit has been issued for the export of technology from Canada to the DPRK, nor will permits be issued while the sanctions mandated by 8(a)(i) and 8(a)(ii) of the Resolution remain in effect.

Paragraph 8(d):

All Member States shall, in accordance with their respective legal processes, freeze immediately the funds, other financial assets and economic resources which are on their territories at the date of the adoption of this resolution or at any time thereafter, that are owned or controlled, directly or indirectly, by the persons or entities designated by the Committee or by the Security Council as being engaged in or providing support for, including through other illicit means, DPRK's nuclear-related, other weapons of mass destruction-related and ballistic missile related programmes, or by persons or entities acting on their behalf or at their direction, and ensure that any funds, financial assets or economic resources are prevented from being made available by their nationals or by any persons or entities within their territories, to or for the benefit of such persons or entities.

Pursuant to section 9 of the DPRK Regulations, all persons in Canada and all Canadians outside Canada are prohibited from:

a) dealing, directly or indirectly, in any property in Canada as at October 14, 2006 or at any time after that date, that is owned or controlled, directly or indirectly, by a designated person (i.e. persons designated by the Security Council or the 1718 Committee) or by a person acting on behalf of, or at the direction of, a designated person;

b) entering into or facilitating financial transaction related to dealings referred to in paragraph a) above;

c) providing financial or related services in respect of the property referred to in paragraph a) above; or

d) making any property or any financial or other related service available, directly or indirectly, to or for the benefit of a designated person.

In accordance with paragraph 9 of the Resolution, section 15 of the DPRK Regulations also allows for exemptions to the assets freeze.

In addition, pursuant to section 10 of the DPRK Regulations, all persons in Canada and all Canadians abroad are prohibited from doing anything that causes, assists or promotes, or is intended to cause, assist or promote, any act or thing prohibited by sections 9.

Paragraph 8(e):

All Member States shall take the necessary steps to prevent the entry into or transit through their territories of the persons designated by the Committee or by the Security Council as being responsible for, including through supporting or promoting, DPRK policies in relation to the DPRK's nuclear-related, ballistic missile-related and other weapons of mass destruction-related programmes, together with their family members, provided that nothing in this paragraph shall oblige a state to refuse its own nationals entry into its territory.

Section 35 of the *Immigration and Refugee Protection Act* enables Canada to prevent the entry into or transit through its territory of all persons to be designated by the Security Council or the Committee of the Security Council. The *Immigration and Refugee Protection Act* also allows for exemptions to the travel ban in accordance with paragraph 10 of the Resolution.

Ottawa, November 13, 2006

United Nations S/AC.49/2006/3

Security Council

Distr.: General
30 November 2006

Original: English

Security Council Committee established pursuant to resolution 1718 (2006) concerning the Democratic People's Republic of Korea

Note verbale dated 13 November 2006 from the Permanent Mission of the United Kingdom of Great Britain and Northern Ireland to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of the United Kingdom of Great Britain and Northern Ireland to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1718 (2006), and has the honour to attach its report pursuant to paragraph 11 of resolution 1718 (2006) on the steps taken by the Government of the United Kingdom to implement paragraph 8 of the above-mentioned resolution (see annex).

06-63705 (E) 051206

Annex to the note verbale dated 13 November 2006 from the Permanent Mission of the United Kingdom of Great Britain and Northern Ireland to the United Nations addressed to the Chairman of the Committee

Report of the United Kingdom pursuant to paragraph 8 of resolution 1718 (2006)

Introduction

1. Please see the relevant sections below for details of how the UK has implemented, and is further proposing to implement, the measures contained in paragraph 8 of UNSCR 1718 (2006) within the UK's legal and administrative structure. The responsible Government department in the United Kingdom, the Foreign and Commonwealth Office, will ensure that details of individuals and entities designated with respect to these measures are transmitted to appropriate government departments and posts overseas.

Financial asset freeze

2. HM Treasury is responsible for implementing financial sanctions within the United Kingdom. In order to implement the financial sanctions element of resolution 1718 (2006), HM Treasury are in the process of passing secondary legislation through the Privy Council, with adoption expected on 14 November 2006. This will provide the legal basis within the United Kingdom for:

a) freezing the assets of those individuals and entities listed by the Security Council Committee established pursuant to resolution 1718 (2006);

b) freezing the assets of persons acting on behalf of or at the direction of a designated person;

c) providing criminal penalties, including for any breaches which take place in respect of dealing with, or making funds available, within the UK and/or by UK citizens;

d) providing for licences to be administered by HM Treasury to allow funds to be dealt with or made available, consistent with the provisions set out in resolutions 1718 (2006), including in relation to exemptions.

3. The Bank of England is responsible for publicising financial sanctions and administrative compliance with the UK's legal obligations as agent for and under direction from HM Treasury. This is achieved initially through the publication of a Bank Notice and also through an alert system which updates approximately 2000 subscribers. Financial institutions will therefore able to freeze relevant accounts of listed persons and entities to ensure compliance with the obligations set out in resolution 1718 (2006).

Travel ban

4. The UK complies with UN Security Council Resolutions that impose restrictive travel measures through their inclusion in the Immigration (Designation of Travel Bans) Order 2000. This Order is made by a Government Minister under Section 8B of the Immigration Act 1971 and laid before Parliament. It came into force on 10th October 2000. It is regularly amended to update the list of travel bans included in the schedule to the Order. Details of those individuals subject to a travel ban are also included in the appropriate UK watch list.

5. The effect of the 2000 Order is that a person named by or described in an instrument designated by the Order becomes an excluded person and must be refused leave to enter or remain in the UK. It also provides for the automatic cancellation of any existing permission to stay in the UK. The only exceptions permitted are to enable the UK to comply with its other international obligations in respect of the European Court of Human Rights or the 1951 Convention relating to the Status of Refugees.

6. In respect of resolution 1718 (2006) the UK is in the process of amending the 2000 Order and the resolution will be included in this amendment. Pending designation under the 2000 Order the UK relies on administrative powers contained within domestic legislation to deny entry to, or transit through, the UK of those subject to a travel ban on the grounds that their presence in the UK would be not be considered conducive to the public good.

Exports

7. Resolution 1718 (2006) calls on states to take action against DPRK, including implementing controls on:

   - the export of certain military goods e.g. tanks, aircraft, warships and missiles;

   - the export of sensitive technologies which could contribute to DPRK's nuclear and ballistic missile (WMD) programmes;

   - the export of luxury goods;

   - the provision of technical assistance, training or other services in relation to military goods and sensitive technologies of the kinds described above;

- the procurement of military goods and sensitive technologies of the kinds described above so that DPRK cannot export to other countries.

8. The following export controls relevant to the provisions of resolution 1718 (2006) are already in place:

The Export of Goods, Transfer of Technology and Provision of Technical Assistance (Control) Order 2003 ("the Export Order") covers:

- exports of military-listed goods are prohibited for export from the UK to all destinations without a licence;

- a prohibition on the provision of technical assistance by anyone to a person or place outside the European Community (EC), and of such assistance by a UK person from a place outside the EC to a person outside the EC, in respect of articles subject to WMD end-use control;

- transhipment of military and dual-use goods, (including those controlled under WMD end-use control), through the UK to DPRK are prohibited without a licence.

The Council Regulation (EC) No.1334/2000 ("the Dual-Use Regulation") covers:

- exports from the Community of items licensable under the WMD end-use control, as well as other specified dual-use goods, are prohibited, unless under the authority of a licence. Licensing, penalties and enforcement provisions of the Dual-Use Regulation are implemented in the UK under the Export Order.

The Trade in Goods (Control) Order 2003, ("the Trade Order") covers:

- trade prohibition on any act or part of an act done in the UK which may result in the removal of "controlled goods", (i.e. military list items excluding software and technology), from one third country to another third country (including DPRK);

- trade prohibition on any act or part of an act done in the UK or elsewhere by a UK person of "restricted goods" (i.e., certain security and paramilitary police equipment and long range missiles) which will or may result in the removal of those goods from one third country to another third country (including DPRK).

9. An EC Regulation (see paragraphs 16 and 17) will need to be adopted to implement the controls on:

- export of luxury goods;

- technical assistance for goods other than WMD-controlled under the Export Order;

- procurement of those items covered by resolution 1718 (2006) from DPRK other than those currently controlled under the Trade Order.

Following the adoption of an EC Regulation - which will be directly applicable in UK domestic law - the precise form of UK implementing legislation will be determined. This will include consideration of whether further secondary legislation under the UN Act 1946 is required.

Enforcement

10. HM Revenue and Customs (HMRC) is the UK's enforcement authority for the sanctions listed in paragraphs 7, 8 and 9 above. HMRC's role is to prevent unauthorised exports of military and dual-use goods leaving the UK. All military exports from the UK require an export licence issued by the Department of Trade and Industry (DTI). The export of nuclear-related materials and technologies is controlled under Council Regulation (EC) 1334/2000. A DTI licence is also required for the export of dual-use goods to countries outside the customs territory of the Community. A licence application for export to the DPRK, as a country of concern, would be subject to particularly close scrutiny. In addition, goods destined for the DPRK do not benefit from the normal export licensing relaxation for military and dual-use goods transiting the UK.

11. Since February 2006 HMRC has paid particular attention to trade with the DPRK. Following the adoption of resolution 1718 (2006) checks are now in place on HMRC's frontier declaration processing system to target all consignments to and from the DPRK. In addition, UK customs officers monitor all DPRK vessels arriving in the UK closely. Actions will include boarding and searching the vessel for illegal goods.

12. HMRC have alerted frontier officers about the measures in resolution 1718 (2006) relating to luxury goods, pending adoption of an EC Regulation specifying the prohibited items.

UK Overseas Territories and Crown Dependencies

13. In the UK Overseas Territories the direct export controls required by Overseas Territories in relation to DPRK are already in place under the Export of Goods, Transfer of Technology and Provision of Technical Assistance (Control) (Overseas Territories) Order 2004.

14. Resolution 1718 (2006) will be further implemented by a UN Act Order for the asset freeze, luxury goods and procurement measures when adoption of an EC Regulation has been concluded.

15. The Order will cover all Overseas Territories with the exception of Gibraltar which will be covered by the EC Regulation.

EU measures

16. We are working with our EU partners to ensure EU-level implementation. This will ensure consistent implementation by member states, but is also necessary for full UK implementation as certain of the measures (luxury goods prohibition) come within Community competence.

17. A Common Position has been agreed by partners and adoption is expected at the 20 November European Agriculture and Fisheries Council. In the meantime, EU Member States are urgently considering a draft EC Regulation.

United Kingdom
13 November 2006

United Nations S/AC.49/2006/4

Security Council

Distr.: General
30 November 2006

Original: English

Security Council Committee established pursuant to resolution 1718 (2006) concerning the Democratic People's Republic of Korea

Note verbale dated 30 November 2006 from the Permanent Mission of Denmark to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of Denmark to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1718 (2006), and has the honour to attach its report pursuant to paragraph 11 of resolution 1718 (2006) on the steps taken by the Government of Denmark to implement paragraph 8 of the above-mentioned resolution (see annex).

06-63711 (E) 061206

Annex to the note verbale dated 30 November 2006 from the Permanent Mission of Denmark to the United Nations addressed to the Chairman of the Committee

Denmark has the honour of informing the Security Council of the following steps taken with a
view to implementing effectively the provisions of paragraph 8 of United Nations Security Council Resolution (UNSCR) 1718 of 14 October 2006.

Regarding the implementation of the UNSCR 1718 restrictions on the sale of arms to the Democratic People's Republic of Korea (North Korea), the Danish government would like to inform on the following steps taken:

According to Section 6 of the Danish Weapons Act it is prohibited without a specific license from the Minister of Justice to export weapons of any kind and defence related material etc. Section 6 applies to any situation where items are transferred from Denmark to a third country no matter whether the transfer takes place in relation to export, transit, trans-shipment or re-export. Export licenses will not be issued to countries in violation UNSCR 1718.

According to the Section 7 b of the Danish Weapons Act it is likewise prohibited, without a specific license from the Minister of Justice, as a broker to negotiate or arrange transactions that involve the transfer of weapons etc., as defined in Section 6, between countries outside the EU. Furthermore, it is prohibited to buy or sell weapons etc., as defined in Section 6, as part of a transfer between countries outside the EU, or, as the owner of the weapons etc., to arrange such a transfer. Brokering licenses will not be issued for brokering activities involving North Korea.

Furthermore, according to Section 7 a of the Danish Weapons Act, it is prohibited to transport weapons of any kind and defence related material etc. to countries listed in the Government Order on Transportation of Weapons etc. between Third Countries. The list includes all countries that are under a UN, EU, or OSCE arms embargo. A revised Order adding North Korea to the list took effect on 1 November 2006.

Violation of the abovementioned rules is a criminal offence punishable by fine or imprisonment, cf. Danish Weapons Act Section 10 and, in aggravating circumstances, Section 192 (a) of the Danish Criminal Code.

The legal basis for control of **dual-use items** in Denmark is EU Regulation 1334/2000. Through this Regulation and the control list (EU Regulation 394/2006) Denmark controls the export of dual-use items listed by the various export control regimes. Applications for export license concerning products listed in UNSRC 1718, paragraph 8, (a), (ii) will not be approved. Applications for export license concerning other listed products will be considered with utmost vigilance.

According to the EU Regulation a license is required, if exporters have grounds for suspecting that certain exports may be related to WMD (1334/2000, art. 4, paragraph 5) even if the item is not listed in the EU Regulation control list (catch-all). Applications for export licenses concerning these cases will be considered with utmost vigilance.

The EU Regulation is supplemented by national legislation describing the national administration of the Regulation, including penal sanctions in case of violation. This act, Act on the application of certain European Communities Acts on economic relations to third countries (Consolidated Act No 474 of 14. June 2005), was last amended in 2005. Following this amendment **provision of technical assistance** concerning dual-use items is prohibited, if the assistance may be related to WMD. (Technical assistance is defined as any technical support related to repairs, development, manufacture assembly, testing, maintenance or any other technical service, that may take form of as instruction, training, transmission of working knowledge or skills or consulting services).

The maximum penalty for offences related to this act is imprisonment and/or an unlimited fine. In case of aggravating circumstances and when the violation is related to WMD the offence is covered by the Criminal Code.

For a more detailed description of the Danish export control regime regarding weapons and defence related materials reference is made to Denmark's reports to the 1540 Committee (S/AC.44/2004/(02)/30 and S/AC.44/2004/(02)/30/Add.1).

Regarding the restrictions on admission of **persons, entities and bodies** (that will be drawn up on a list by the UN) these restrictions will be implemented in accordance with existing legislation, i.a. the Danish Aliens Act and EC Regulation 539/2001 where North Korea is listed as a country whose nationals must be in possession of visas when crossing the external borders of the EU.

With regard to the **restrictive measures concerning sensitive goods and technology, luxury goods and the freezing of funds and economic resources** Denmark participates actively in the ongoing negotiations within the European Union concerning the steps to be taken by the EU with a view to implementing effectively these provisions of paragraph 8 of resolution 1718.

In its conclusions adopted on 17 October 2006, the Council of the European Union confirmed that the EU would fully implement the provisions of all relevant UNSC Resolutions and notably of Resolution 1718 adopted on 14 October 2006 and of Resolution 1695 adopted on 15 July 2006. The Council stated that it would immediately take the necessary steps to that end.

The EU immediately initiated the preparation of legal instruments implementing the provisions of paragraph 8 of Security Council resolution 1718 (2006). Preparations are under way to adopt without delay a Council Common Position and a Council Regulation. Further information will be provided to the Security Council, once the Common Position and Regulation have been adopted.

Under general European law principles, a Council Regulation is directly applicable in Denmark without the need for domestic implementing legislation. Nevertheless, Denmark will carefully consider whether there is a need to take additional measures nationally once the Council Common Position and the Council Regulation has been adopted.

United Nations S/AC.49/2006/5

Security Council

Distr.: General
30 November 2006

Original: English

Security Council Committee established pursuant to resolution 1718 (2006) concerning the Democratic People's Republic of Korea

Note verbale dated 13 November 2006 from the Permanent Mission of the Principality of Liechtenstein to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of the Principality of Liechtenstein to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1718 (2006) concerning the Democratic People's Republic of Korea, and has the honour to refer to Security Council resolution 1718 (2006), adopted by the Council on 14 October 2006, and wishes to communicate the following.

Liechtenstein has fully implemented the embargo on heavy weapons, luxury goods and materials, equipment, goods and technology listed in documents S/2006/853, S/2006/814 and S/2006/815, as well as the travel restrictions, asset freeze and other measures provided by Security Council resolution 1718 (2006). The relevant measures were incorporated into national law through the Government Ordinance on Measures concerning the Democratic People's Republic of Korea (cf. Liechtenstein Legal Gazette 2006, No. 208), and violations are punishable in accordance with criminal law. The above-mentioned Ordinance is regularly updated following relevant decisions by the sanctions Committee. Furthermore, by virtue of its Customs Union with Switzerland, the relevant Swiss laws and enforcement measures are applied with respect to the movements of goods and persons across Liechtenstein's borders as well.

06-63681 (E) 051206

United Nations S/AC.49/2006/6

Security Council

Distr.: General
30 November 2006

Original: English

Security Council Committee established pursuant to resolution 1718 (2006) concerning the Democratic People's Republic of Korea

Note verbale dated 13 November 2006 from the Permanent Mission of the Czech Republic to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of the Czech Republic to the United Nations presents its compliments to the Chairman of the Security Council Committee established pursuant to resolution 1718 (2006) and, referring to its note of 1 November 2006, has the honour to report the following information.

The Czech Republic, as a member State of the European Union, is taking part in the preparation of the European Union's legal instruments implementing the provisions of paragraph 8 of Security Council resolution 1718 (2006) with the aim to adopt them without delay. More detailed information in this regard is to be conveyed to the Security Council by the Presidency of the European Union. After the adoption of the relevant European Union Council regulation, all legal instruments will be automatically applied to the Czech national legislation.

The Czech Republic is pleased to further inform you that at the national level the Czech Republic, as a member of all relevant control regimes, already has in place all the necessary tools to be able to implement the above-mentioned resolution on the export of sensitive goods and technology that could contribute to programmes related to nuclear and other weapons of mass destruction or ballistic missile-related programmes of North Korea.

06-63687 (E) 051206